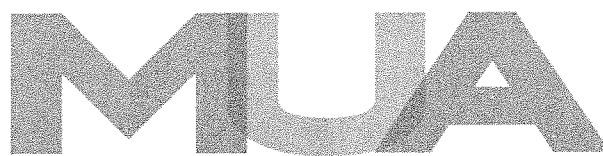


The
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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF ARTS IN DEVELOPMENT STUDIES

MGT 311 : BUSINESS PLANNING

DATE: 5TH APRIL 2017

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

James is an entrepreneur who has started an enterprise. He is seeking financing from Financial Institutions and has been told to present a business plan to help him convince the institution the capability of his business to succeed. As a business planning student he has approached you and requested to help him highlight the outline of a business plan. Set out in detail a business plan structure for James that he may adopt and explain to James the importance of this business plan to the firm.

(25 marks)

QUESTION TWO

Business planning should be a mandatory management practice for starting and growing a business venture. Explain how you would advise an entrepreneur to go about this in a manner that would attract business funding from financial institutions (banks), suppliers and venture capitalists.

(15 marks)

QUESTION THREE:

Executive summary is the most important part of a business plan. Explain the meaning of an "executive summary?" Why the executive summary is often called the most important part of a business plan?

(15 marks)

QUESTION FOUR:

Define and explain the purpose of the income statement, the balance sheet, and the statement of cash flows in a business plan.

(15 marks)

QUESTION FIVE:

In business planning source of funds is very critical. Explain some sources of funds to a business and discuss why do most firms need funding? Provide a brief explanation of each reason. (15 marks)

QUESTION SIX:

Businesses should have different strategies to prevail in the market. Explain the difference between internal and external growth strategies? Provide examples of each. (15 marks)

